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MAINE DEPARTMENT OF
LABOR
20 Union Street Augusta Maine 04330-6826
(207) 289-2271

BUREAU OF EMPLOYMENT SECURITY
Division of Economic Analysis and Research

LABOR MARKET DIGEST

September 1990

The Labor Market Information Newsletter on Maine Economic Activity

Youth and the Unemployment Rate

According to a recent article published in the Monthly Labor Review, population changes have had a significant impact on the national unemployment rate. As millions of baby-boomers entered the world of work in the late 1960s and throughout most of the 1970s, they swelled the ranks of a group which, mainly because of frequent entries into and exits from the labor force, has traditionally had a much higher incidence of unemployment than older workers. Thus, merely by expanding the proportion of youths [ages 16 to 24] in the labor force, the baby-boomers exerted considerable upward pressure on the nation's overall jobless rate.

During the 1980s, however, the situation reversed itself. The last of the baby-boomers moved past their 25th birthday and joined the ranks of more mature and experienced workers, those who have traditionally had a very low incidence of joblessness. Behind the baby-boomers, the size of the teenage population and labor force continued to shrink reflecting the protracted decline in births during the 1960s and early 1970s. Together, these population changes helped significantly to lower the unemployment rate during the 1980s. The author of the article concluded that while changes in the age makeup of the population and labor force may have little impact on the short-term cyclical movements of the unemployment rate, they play an important role in the long-term behavior of the rate.

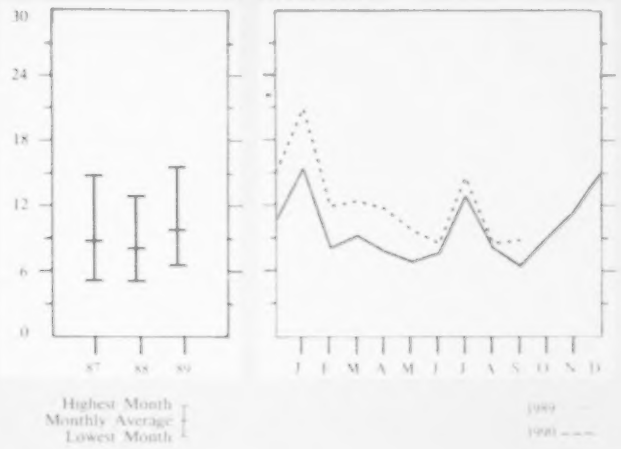
In Maine, as in the nation, the proportion of the labor force accounted for by youths steadily increased during the 1960s and 1970s. According to decennial census data, the proportion of Maine's labor force comprised of individuals 16 to 24 years of age increased from 15.2 percent in 1960 to 22.1 percent in 1980. During the 1980s the number of youths in Maine's labor force began dropping, both in absolute and relative terms. Current Population Survey data indicates that in 1983 individuals aged 16 to 24 accounted for 22.1 percent of the civilian labor force. By 1989, younger workers made up 18.3 percent of the labor force. This represents a drop of 10,600 youths in the labor force between 1983 and 1989. Projections indicate that the population aged 16 to 24, and consequently the youth labor force, will continue to decline in Maine through the year 2000.

The unemployment rate for youths in Maine has been consistently much higher than the rate for individuals 25 years of age and older. During the late 1960s and 1970s the increasing number of younger workers in Maine's labor force certainly put upward pressure on the unemployment rate. The falling number of youths in the 1980s facilitated the decline of the unemployment rate during the economic expansion. Forecasts of the Maine economy to the year 2000 indicate that Maine's unemployment rate will remain relatively low. Part of the reason for the projected low rate is the continued decline in the number of individuals 16 to 24 years of age entering the labor force.

Analysis of national data excerpted from Paul O. Flaim, "Population changes, the baby boom, and the unemployment rate," Monthly Labor Review, Vol. 113, No. 8 (August 1990).

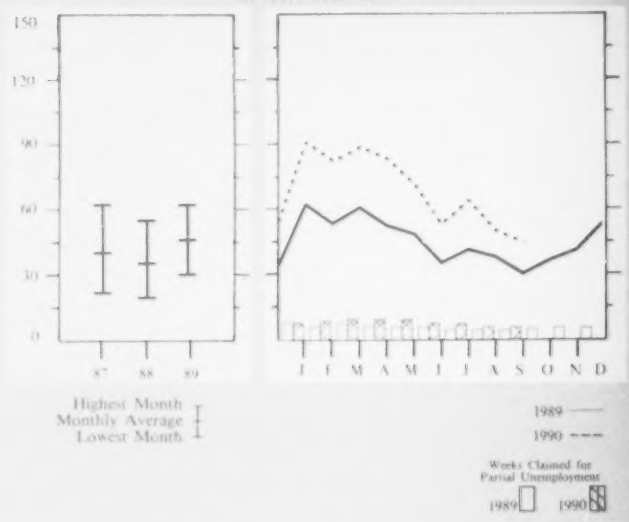
UI Initial Claims

in Thousands



UI Intrastate Weeks Claimed

in Thousands



Women-Owned Firms Compared to All Firms By New England State and Selected Characteristics, 1987

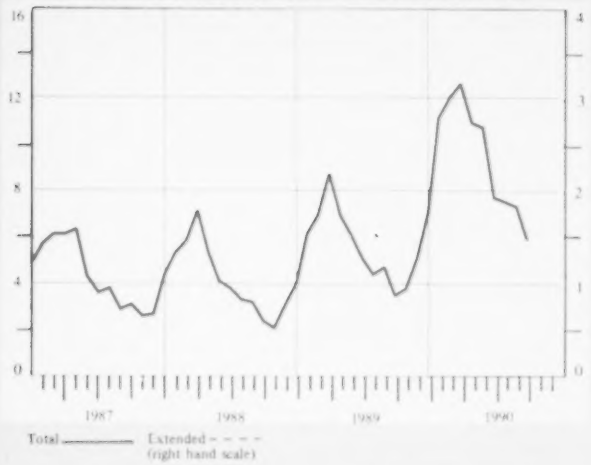
Area	Number of Firms Owned By			Sales and Receipts of Firms Owned By		
	Women	All	Women as Percent of All	Millions of Dollars		Women as Percent of All
				Women	All	
United States	4,114,787	13,695,480	30.04	278,138	1,994,808	13.94
Connecticut	60,924	196,537	31.00	5,320	35,024	15.19
Maine	23,922	88,208	27.12	1,635	10,407	15.71
Massachusetts	111,376	356,780	31.22	11,140	66,364	16.79
New Hampshire	22,713	79,771	28.47	1,858	13,083	14.20
Rhode Island	14,517	52,780	27.50	1,340	10,048	13.34
Vermont	13,802	45,243	30.51	766	5,191	14.76

Copies of the report "1987 Women-Owned Businesses," WB87-1, are available for $27 prepaid from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402, (202) 783-3238. The GPO stock number is 003-024-06949-1.

Selected Employment Security Activities

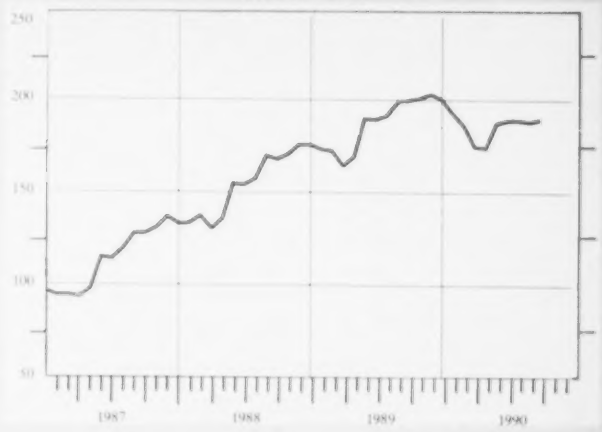
UI Benefit Payments
in Millions

(Total Includes Maine's Portion of Extended Benefits)



Unemployment Compensation Fund Balance in Millions

(End of Month)



Nonfarm Wage and Salary Employment by Place of Work (in Thousands)

ITEM	STATEWIDE This Month	STATEWIDE Last Month	STATEWIDE Year Ago	PORTLAND MSA This Month	PORTLAND MSA Last Month	PORTLAND MSA Year Ago	LEWISTON-AUBURN MSA This Month	LEWISTON-AUBURN MSA Last Month	LEWISTON-AUBURN MSA Year Ago
Nonfarm Wage and Salary Employment 1/	537.1	536.9	554.7	133.5	133.1	133.5	41.7	40.9	41.7
Goods Producing	135.0	137.3	143.3	24.9	25.5	25.4	11.5	11.7	12.1
Construction and Mining	29.4	29.8	35.7	8.1	8.2	8.7	2.1	2.1	2.3
Building Construction	9.5	9.5	12.1	1.9	1.9	2.3	n/a	n/a	n/a
Special Trades Contractors	14.0	14.1	17.6	5.4	5.4	5.3	n/a	n/a	n/a
Manufacturing	105.6	107.5	107.6	16.8	17.3	16.7	9.4	9.6	9.8
Durable Goods	48.9	49.2	50.2	8.1	8.6	8.3	2.2	2.3	2.5
Lumber and Wood Products	12.0	12.0	12.7	n/a	n/a	n/a	n/a	n/a	n/a
Primary and Fabricated Metals	3.5	3.5	3.5	n/a	n/a	n/a	n/a	n/a	n/a
Industrial Machinery and Equipment	5.4	5.1	5.3	2.2	2.3	2.2	n/a	n/a	n/a
Electronic and Other Electric Equipment	8.1	8.5	8.8	2.6	2.8	3.0	n/a	n/a	n/a
Transportation Equipment	15.2	15.4	15.0	(d)	(d)	(d)	n/a	n/a	n/a
Other Durable Goods 2/	4.7	4.7	4.9	3.3	3.5	3.1	n/a	n/a	n/a
Nondurable Goods	56.7	58.3	57.4	8.7	8.7	8.4	7.2	7.3	7.3
Food and Kindred Products	7.8	9.0	7.4	2.0	2.1	1.9	n/a	n/a	n/a
Textile Mill Products	5.9	5.8	6.0	(d)	(d)	(d)	n/a	n/a	n/a
Apparel and Other Textile Products	2.9	2.9	2.9	n/a	n/a	n/a	n/a	n/a	n/a
Paper and Allied Products	17.8	18.1	17.7	(d)	(d)	(d)	n/a	n/a	n/a
Printing and Publishing	5.7	5.7	5.9	1.6	1.6	1.7	n/a	n/a	n/a
Rubber and Miscellaneous Plastic Products	3.8	3.8	4.1	n/a	n/a	n/a	1.9	1.9	2.1
Leather and Leather Products	11.6	11.7	11.9	1.6	1.5	1.3	1.9	2.0	1.9
Footwear (except Rubber)	9.9	10.0	10.1	n/a	n/a	n/a	n/a	n/a	n/a
Other Nondurable Goods 3/	1.2	1.3	1.5	3.5	3.5	3.5	3.4	3.4	3.3
Service Producing	402.1	399.6	411.4	108.6	107.6	108.1	30.2	29.2	29.6
Transportation and Public Utilities	22.7	22.5	21.4	5.4	5.5	4.7	1.4	1.4	1.4
Wholesale Trade	25.2	25.6	25.8	9.9	10.0	10.2	2.4	2.4	2.3
Retail Trade	108.4	111.7	117.2	30.5	30.8	31.1	8.7	8.4	8.8
Food Stores	20.3	21.1	20.2	n/a	n/a	n/a	n/a	n/a	n/a
Eating and Drinking Places	33.0	35.4	38.8	8.9	9.5	9.1	n/a	n/a	n/a
Finance, Insurance and Real Estate	25.2	25.6	25.6	11.4	11.4	11.8	2.3	2.3	2.4
Banking	10.3	10.5	10.3	n/a	n/a	n/a	n/a	n/a	n/a
Insurance Carriers, Brokers and Agents	10.2	10.2	10.2	n/a	n/a	n/a	n/a	n/a	n/a
Services	126.9	130.6	126.3	35.9	36.4	34.5	11.2	11.1	10.5
Hotels and Other Lodging Places	11.1	14.1	11.8	n/a	n/a	n/a	n/a	n/a	n/a
Business Services	13.2	13.1	13.1	n/a	n/a	n/a	n/a	n/a	n/a
Health Services	43.7	44.2	43.5	n/a	n/a	n/a	n/a	n/a	n/a
Federal Government	18.9	19.3	19.3	2.0	2.1	2.0	0.3	0.3	0.3
State and Local Government 4/	74.8	64.1	75.8	13.5	11.4	13.8	3.9	3.3	3.9
Involved in Labor-Management Disputes	0.0	0.0	1.6	0.0	0.0	0.9	0.0	0.0	0.1

1/ Employment figures relate to full- and part-time wage and salary workers in pay periods including the 12th of the month. Domestic workers in private households, proprietors, self-employed, and unpaid family workers are excluded. 2/ Includes Standard Industrial Classification (SIC) codes: Statewide - 25,32,38,39; Portland - 24,25,32,33,34,37,38,39. 3/ Includes SIC codes: Statewide - 28,29; Portland - 20,22,23,26,30; Lewiston - 20,22,23,26,27. 4/ Regular teachers are included in summer months whether or not specifically paid in those months. n/a - data not available in sufficient detail for publication. *Less than 50. (d) Nondisclosure item. Source: Nonfarm wage and salary employment by place of work and earnings and workweek of production workers in manufacturing industries are developed by the Maine Bureau of Employment Security in cooperation with the U.S. Bureau of Labor Statistics.

Maine Nonfarm Wage and Salary Employment by Place of Work (In Thousands)

ITEM	1990 3rd Quarter	Previous Quarter	Year Ago	Net Change to Current Quarter From Previous Quarter	Net Change to Current Quarter From Year Ago
Nonfarm Wage and Salary Employment	536.0	537.2	553.1	-1.2	-17.1
Goods Producing	135.3	134.2	143.2	+1.1	-7.9
Construction and Mining	30.1	29.7	36.3	+0.4	-6.2
Building Construction	9.7	9.9	12.3	-0.2	-2.6
Special Trades Contractors	14.3	14.4	17.9	-0.1	-3.6
Manufacturing	105.2	104.5	106.9	+0.7	-1.7
Durable Goods	49.0	48.4	49.9	+0.6	-0.9
Lumber and Wood Products	11.9	11.1	12.5	+0.8	-0.6
Primary and Fabricated Metals	3.5	3.5	3.5	0.0	0.0
Industrial Machinery and Equipment	5.2	5.0	5.2	+0.2	0.0
Electronic and Other Electric Equipment	8.4	8.6	8.8	-0.2	-0.4
Transportation Equipment	15.4	15.4	15.1	0.0	+0.3
Other Durable Goods	4.6	4.8	4.8	-0.2	-0.2
Nondurable Goods	56.2	56.1	57.0	+0.1	-0.8
Food and Kindred Products	8.1	7.2	7.7	+0.9	+0.4
Textile Mill Products	5.8	5.8	5.8	0.0	0.0
Apparel and Other Textile Products	2.8	2.8	2.8	0.0	0.0
Paper and Allied Products	18.0	17.9	17.9	+0.1	+0.1
Printing and Publishing	5.7	5.7	5.8	0.0	-0.1
Rubber and Miscellaneous Plastic Products	3.8	3.9	4.1	-0.1	-0.3
Leather and Leather Products	10.8	11.6	11.4	-0.8	-0.6
Footwear (except Rubber)	9.3	9.8	9.7	-0.5	-0.4
Other Nondurable Goods	1.2	1.2	1.5	0.0	-0.3
Service Producing	400.7	403.0	409.9	-2.3	-9.2
Transportation and Public Utilities	22.6	22.2	21.9	+0.4	+0.7
Wholesale Trade	25.4	25.5	26.1	-0.1	-0.7
Retail Trade	110.7	108.6	118.8	+2.1	-8.1
Food Stores	20.9	20.8	20.4	+0.1	+0.5
Eating and Drinking Places	34.6	32.2	40.8	+2.4	-6.2
Finance, Insurance and Real Estate	25.4	25.2	25.9	+0.2	-0.5
Banking	10.4	10.3	10.5	+0.1	-0.1
Insurance Carriers, Brokers and Agents	10.2	10.0	10.3	+0.2	-0.1
Services	129.2	123.1	129.5	+6.1	-0.3
Hotels and Other Lodging Places	13.0	8.7	13.6	+4.3	-0.6
Business Services	13.1	12.9	13.3	+0.2	-0.2
Health Services	44.0	44.2	43.7	-0.2	+0.3
Federal Government	19.5	20.4	19.5	-0.9	0.0
State and Local Government	67.9	78.0	68.2	-10.1	-0.3
Involved in Labor Management Disputes	0.0	0.0	1.1	0.0	-1.1

The Maine Bureau of Employment Security is affiliated with the U.S. Employment and Training Administration and is a Federal-State Statistical Program Cooperative Representative of the U.S. Bureau of Labor Statistics.
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Division of Economic Analysis and Research

September 1990

U.S. MAIL
POSTAGE AND FEES PAID
EMPLOYMENT SECURITY
LAB 449

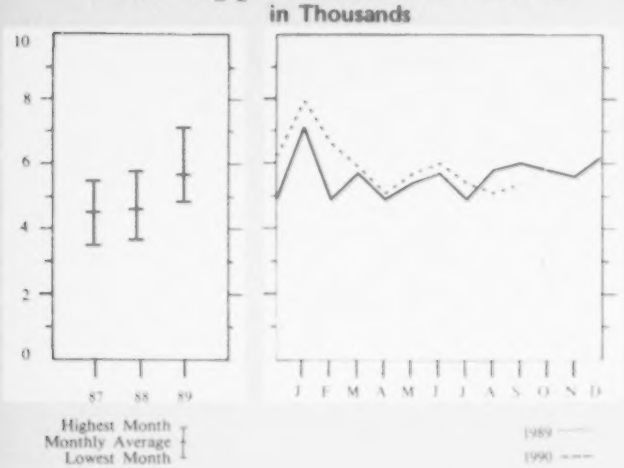
MAINE JOB SERVICE

"For Qualified Workers Contact Your Local Bureau of Employment Security Job Service Office"

Labor Market Information Services

New Applications For Work

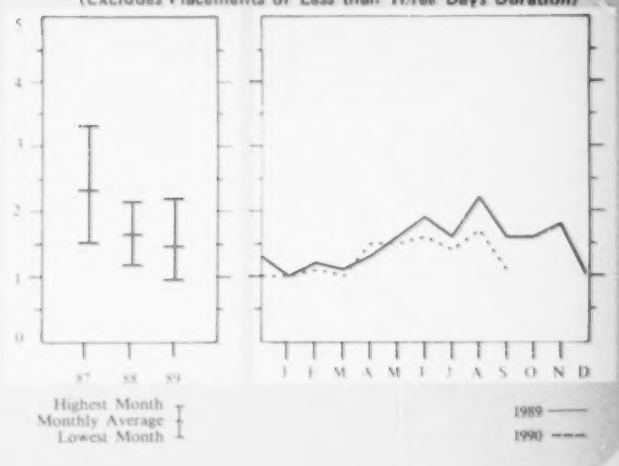
in Thousands



Nonfarm Placements

in Thousands

(Excludes Placements of Less than Three Days Duration)



Earnings and Workweek of Production Workers in Manufacturing Industries

AREA AND INDUSTRY	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS			ANNUAL AVERAGE HOURLY EARNINGS		
	This Month	Last Month	Year Ago	This Month	Last Month	Year Ago	This Month	Last Month	Year Ago	1987	1988	1989
STATEWIDE												
Manufacturing	$433.23	$416.16	$400.36	40.3	39.9	40.4	$10.75	$10.43	$9.91	$8.77	$9.31	$9.89
Durable Goods	416.12	401.58	383.84	40.4	39.8	39.9	10.30	10.09	9.62	8.32	9.00	9.59
Lumber and Wood Products	380.03	380.38	371.21	41.9	41.8	41.2	9.07	9.10	9.01	7.82	8.60	8.85
Primary and Fabricated Metals	469.14	430.14	406.26	43.6	43.1	42.9	10.76	9.98	9.47	8.94	8.79	9.31
Industrial Machinery and Equipment	471.11	477.02	512.34	40.3	39.1	45.1	11.69	12.20	11.36	9.20	9.49	11.03
Electronic and Other Electric Equipment	367.79	343.28	329.76	37.8	35.1	36.0	9.73	9.78	9.16	8.03	8.51	9.02
Transportation Equipment	470.82	449.35	416.19	39.9	40.3	39.3	11.80	11.15	10.59	9.40	9.82	10.80
Other Durable Goods	343.04	337.40	315.52	40.5	40.7	40.4	8.47	8.29	7.81	7.01	7.43	7.80
Nondurable Goods	446.71	427.33	415.54	40.1	39.9	40.9	11.14	10.71	10.16	9.18	9.60	10.16
Food and Kindred Products	318.00	308.89	315.44	37.5	37.9	38.8	8.48	8.15	8.13	7.16	7.30	8.01
Textile Mill Products	370.87	367.04	337.40	40.4	41.9	40.7	9.18	8.76	8.29	7.35	7.66	8.22
Apparel and Other Textile Products	285.67	285.61	281.30	38.5	38.7	38.8	7.42	7.38	7.25	5.92	6.43	7.04
Paper and Allied Products	693.94	653.60	649.57	44.2	43.0	44.4	15.70	15.20	14.63	13.43	13.93	14.51
Leather and Leather Products	268.95	260.19	268.80	35.3	35.4	38.9	7.62	7.35	6.91	6.34	6.59	6.92
Other Nondurable Goods	395.50	395.04	355.67	40.9	40.6	39.3	9.67	9.73	9.05	8.28	8.62	9.10
PORTLAND MSA												
Manufacturing	422.15	386.64	430.75	38.1	37.0	39.7	11.08	10.72	10.85	9.13	9.58	10.53
LEWISTON-AUBURN MSA												
Manufacturing	373.91	367.35	334.77	39.4	39.5	39.2	9.49	9.30	8.54	7.40	8.08	8.50

Female Labor Force in Maine

in Thousands

ITEM 1/	This Month	Last Month	Year Ago
Labor Force	296.4	296.4	289.5
Unemployment	10.5	12.8	10.6
(Percent)	3.5%	4.3%	3.6%
Resident Employed	285.9	283.6	279.0

U.S. Consumer Price Index

BASE PERIOD	This Month	Last Month	Year Ago	Last Dec.
(1982-1984 = 100) All Items (CPI-U)	132.7	131.6	125.0	126.1

Percent Change for Past Month	+0.8%
Percent Change from Last December	+5.2%
Percent Change from 12 Months Ago	+6.2%

1/ Current figures preliminary; last month and year ago figures revised.

Source: Female labor force estimates are developed by, and solely the responsibility of, the Maine Bureau of Employment Security.

Labor Force, Employment and Unemployment

in Thousands

AREA 1/	LABOR FORCE 2/			RESIDENT EMPLOYED			UNEMPLOYMENT Number			UNEMPLOYMENT Percent of Labor Force		
	This Month	Last Month	Year Ago	This Month	Last Month	Year Ago	This Month	Last Month	Year Ago	This Month	Last Month	Year Ago
MAINE-Statewide	631.5	641.7	622.1	605.9	614.7	601.2	25.7	27.0	20.8	4.1	4.2	3.3
MAJOR LABOR MARKETS												
Bangor MSA	46,300	45,700	44,700	44,700	44,100	43,400	1,500	1,600	1,300	3.3	3.5	2.9
Lewiston-Auburn MSA	42,900	42,100	42,000	40,300	39,500	39,900	2,600	2,600	2,100	6.0	6.2	5.0
Portland MSA	131,800	132,600	128,500	127,500	128,000	125,500	4,400	4,600	3,000	3.3	3.5	2.3
Portsmouth-Dover-Rochester MSA 3/	133,640	136,170	134,680	128,500	129,860	131,030	5,140	6,310	3,650	3.8	4.6	2.7
OTHER LABOR MARKETS												
Augusta	37,580	38,380	36,270	36,200	37,000	35,150	1,380	1,370	1,120	3.7	3.6	3.1
Bath-Brunswick	30,600	31,340	30,770	29,740	30,400	30,020	860	940	750	2.8	3.0	2.8
Belfast	13,130	13,130	12,280	12,350	12,380	11,540	780	750	740	6.0	5.7	6.0
Biddeford	29,580	30,240	28,710	28,300	28,950	27,820	1,280	1,290	890	4.3	4.3	3.1
Boothbay Harbor-Wiscasset	17,770	18,830	16,780	17,450	18,440	16,490	320	400	290	1.8	2.1	1.7
Calais-Eastport	14,710	16,030	15,510	13,840	15,150	14,530	870	880	980	5.9	5.5	6.3
Caribou-Presque Isle	21,590	20,800	22,690	20,630	19,640	21,550	950	1,160	1,140	4.4	5.6	5.0
Central Penobscot	3,560	3,470	3,340	3,400	3,320	3,220	160	150	120	4.4	4.3	3.6
Dover-Foxcroft	7,060	7,000	6,760	6,760	6,590	6,420	300	410	340	4.2	5.9	5.0
Ellsworth	27,440	32,470	27,300	26,730	31,590	26,580	710	890	720	2.6	2.7	2.6
Farmington	13,220	13,120	13,140	12,550	12,460	12,700	670	650	440	5.1	5.0	3.3
Fort Kent-Allagash	5,670	5,400	6,430	5,470	5,120	6,070	210	280	360	3.6	5.2	5.6
Greenville	1,360	1,460	1,450	1,320	1,410	1,390	40	60	60	3.2	4.0	4.1
Houlton	6,590	6,800	6,300	6,330	6,430	6,090	260	370	210	3.9	5.4	3.3
Kittery-York 3/	28,090	28,170	29,320	27,580	27,500	28,960	510	660	360	1.8	2.4	1.2
Lincoln-Howland	5,470	5,480	5,380	5,150	5,190	5,080	320	280	300	5.9	5.1	5.6
Livermore Falls	5,350	5,250	4,970	4,980	4,840	4,750	370	410	220	6.9	7.8	4.4
Madawaska-Van Buren	4,010	4,020	4,240	3,780	3,780	4,020	230	250	220	5.7	6.1	5.2
Millinocket-East Millinocket	4,070	4,170	4,140	3,860	3,940	3,950	210	240	190	5.1	5.7	4.6
Norway-Paris	12,420	12,630	11,960	11,530	11,750	11,280	890	880	680	7.2	7.0	5.7
Patten-Island Falls	2,460	2,500	2,450	2,350	2,370	2,320	120	140	130	4.7	5.4	5.3
Rockland	19,200	19,530	19,010	18,460	18,830	18,510	730	700	500	3.8	3.6	2.6
Rumford	8,660	8,720	8,570	8,040	8,060	8,100	630	670	470	7.2	7.6	5.5
Sanford	16,590	16,920	16,180	15,670	16,040	15,520	920	890	660	5.5	5.2	4.1
Sebago Lakes Region	13,190	14,780	14,650	12,610	14,100	14,240	580	680	410	4.4	4.6	2.8
Skowhegan	23,250	23,580	22,300	21,910	22,370	21,340	1,340	1,200	960	5.8	5.1	4.3
Southwest Penobscot	11,630	11,580	10,800	10,940	10,940	10,210	690	640	590	6.0	5.5	5.5
Waterville	26,300	25,490	25,320	25,450	24,500	24,610	850	1,000	710	3.2	3.9	2.8
OTHER NEW ENGLAND STATES												
Connecticut	1,788.7	1,816.8	1,754.0	1,697.8	1,722.9	1,687.6	90.9	93.9	66.4	5.1	5.2	3.8
Massachusetts	3,146.8	3,171.0	3,120.7	2,952.9	2,960.0	2,986.5	193.8	211.0	134.2	6.2	6.7	4.3
New Hampshire	627.6	635.6	611.8	593.8	602.0	588.4	33.8	33.7	23.5	5.4	5.3	3.8
Rhode Island	513.5	521.7	529.3	483.4	490.2	506.8	30.2	31.6	22.5	5.9	6.1	4.2
Vermont	306.8	309.1	305.6	292.8	295.1	295.7	14.1	14.1	9.9	4.6	4.5	3.2
NEW ENGLAND STATES	7,014.9	7,095.9	6,943.5	6,626.6	6,684.8	6,666.2	388.5	411.3	277.3	5.5	5.8	4.0
UNITED STATES	124,779	126,012	123,828	117,961	119,174	117,498	6,818	6,837	6,330	5.5	5.4	5.1

Footnotes

1/ Labor force, employment, and unemployment data for all areas are by place of residence and are not seasonally adjusted. Estimates made independently for each labor market area have been benchmarked to and extrapolated from the Current Population Survey estimates for the state. All data exclude members of the Armed Forces. Data are rounded for publishing purposes. Employment and unemployment may not add to labor force due to rounding. MSA - Metropolitan Statistical Area. n.a. indicates that the information was not available at the time of printing.

2/ Current figures preliminary; last month and year ago figures revised.

3/ Kittery-York is the eight-town Maine portion of the Portsmouth-Dover-Rochester MSA which includes towns in both Maine and New Hampshire.

Source: These data are developed by the Maine Bureau of Employment Security in cooperation with the U.S. Bureau of Labor Statistics.

Mid-Month Insured Unemployment

ITEM	STATEWIDE			PORTLAND MSA			LEWISTON-AUBURN MSA		
	This Month	Last Month	Year Ago	This Month	Last Month	Year Ago	This Month	Last Month	Year Ago
Number of Continued-Week Claimants*	9,336	10,571	5,761	1,658	1,892	836	1,056	1,116	654

* Continued-week claimants are less partials for week including the 12th of the month.